



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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January 22, 2009

TO: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

FROM: Wendy L. Watanabe *Wendy L. Watanabe*
Acting Auditor-Controller

SUBJECT: **IMPLEMENTATION STATUS OF THE COUNTYWIDE CONTRACT
MONITORING SYSTEM**

In March 2003, the Auditor-Controller (A-C) implemented the Countywide Contract Monitoring System (CCMS), a comprehensive contract database for use by County Departments. This system included contractor/vendor contact information and automated features to advise users when contracts were nearing expiration. CCMS intended to provide County managers a real-time monitoring tool for ensuring contract compliance, to facilitate more effective contract monitoring, and to eliminate situations resulting in "retroactive" contracts.

In July 2005, CCMS was integrated with the Countywide Accounting and Purchasing System (eCAPS). Last year, we discovered that some contract data, particularly contract expiration dates, was not being updated or input timely by County eCAPS users. This impaired the effectiveness of CCMS as a contract monitoring and compliance tool. To remedy this, A-C staff conducted a comprehensive review and reconciliation of CCMS and eCAPS contract databases, and implemented an action plan to ensure all departments' compliance with Board of Supervisors' contract monitoring requirements. The following summarizes our progress:

- Developed a new user manual and corresponding training curriculum to clarify data-input and updating procedures and requirements;

- Provided updated CCMS/eCAPS training to all departments that process contracts;
- Reconciled and updated contract data in CCMS and eCAPS to reflect current encumbrance amounts and contract terms/expiration dates;
- Designed new eCAPS contract reports to provide County managers with additional financial information that will facilitate contract and expenditure monitoring.
- Convened a client/user workgroup to identify opportunities to enhance contract monitoring functionality and solicited recommendations. Suggested enhancements are in the process of being implemented.

By February 1, 2009, these enhancements will ensure that CCMS and eCAPS contain relevant, accurate and up-to-date information on contract terms and expenditures, and that such data is readily available to County managers to facilitate contract monitoring and expenditure oversight.

In addition, to ensure that departments are utilizing the contract monitoring functionality within CCMS/eCAPS, and that contract data is input and updated timely, A-C staff will periodically reconcile these databases and advise any departments not in compliance to take corrective action.

If you have any questions, please call me or your staff may contact Glenn Shaw at (213) 974-0381.

WLW:RAD:GS:RC
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c: William T Fujioka, Chief Executive Officer